

[Floor Situation](#) | [Summary](#) | [Background](#) | [Cost](#) | [Staff Contact](#)

---

## [H.R. 1480, the SAFE Act Confidentiality and Privilege Enhancement Act](#)

### FLOOR SITUATION

On Monday, April 13, 2015, the House will consider [H.R. 1480](#), the *SAFE Act Confidentiality and Privilege Enhancement Act*, under a suspension of the rules. The bill was introduced on March 19, 2015 by Rep. Robert Dold (R-IL) and was referred to the Committee on Financial Services, which ordered the bill reported by a vote of 58 to 0 on March 26, 2015.<sup>1</sup>

### SUMMARY

H.R. 1480 amends the Secure and Fair Enforcement of Mortgage Licensing Act of 2008 (SAFE Act)<sup>2</sup> to allow state and federal financial regulators to share information regarding consumer financial services businesses that are licensed at the state level in the Nationwide Mortgage Licensing System and Registry (NMLS) without the loss of privilege or confidentiality protections provided by state and federal law.

### BACKGROUND

The Secure and Fair Enforcement of Mortgage Licensing Act of 2008 (SAFE Act) was passed into law on July 30, 2010 as part of the Housing and Economic Recovery Act of 2008 (Public Law 110-289). The SAFE Act requires all mortgage loan originators to be licensed and registered through the NMLS. The SAFE Act also requires states to adopt minimum standards for licensing residential mortgage loan originators. Section 1512 of the SAFE Act provides confidentiality and privilege protections for information shared through the NMLS as long as that information is shared between regulators with mortgage industry oversight.

State regulators have begun using the NMLS as a licensing platform for regulating other non-depository financial service providers beyond residential mortgage providers to increase uniformity, reduce regulatory burden, enhance consumer protection and reduce fraud while ensuring privacy protections are maintained. To address this expanded use of the NMLS system, H.R. 1480 allows

---

<sup>1</sup> See [FC-18](#)

<sup>2</sup> See [\(12 U.S.C. 5111\(a\)\)](#)

financial services regulators that are not considered mortgage regulators to gain access to the NMLS system without violating its privilege or confidentiality protections.

An identical version of this bill, [H.R. 4626](#), passed the House by voice vote on March 12, 2013 (See [CR H6997](#)). Companion legislation to this bill, [S. 947](#), passed by Senate by unanimous consent on December 17, 2013 (See [CR S8817](#)). The Senate did not act on the House-passed bill and the House did not act on the Senate-passed bill in the 113<sup>th</sup> Congress.

### **COST**

The Congressional Budget Office (CBO) [estimates](#) that enacting H.R. 1480 would increase direct spending; therefore, pay-as-you-go procedures apply. However, CBO expect those effects would be insignificant. CBO estimates that enacting H.R. 1480 would not affect revenues. Implementing the bill would not affect discretionary spending because the Bureau of Consumer Financial Protection (CFPB) is permanently authorized to spend amounts transferred from the Federal Reserve System.

### **STAFF CONTACT**

For questions or further information contact the House Republican Policy Committee at 6-5539.